

## Revision Commission

The Revision Commission is a permanent internal control body of the Company that regularly monitors the financial and economic activities of the Company, its separate units, the Company's management bodies, and the structural units of the Company's executive office for compliance with the legislation of the Russian Federation as well as the Company's Charter and internal documents.

The Revision Commission acts in the interests of the Company's shareholders and is accountable in its activities to the Company's General Meeting of Shareholders. When performing its activities, the Revision Commission is not dependent on the Company's management bodies or the heads of the structural divisions of the Company's executive office. The Company's Revision Commission is an elected body whose members are elected each year at the Company's Annual General Meeting of Shareholders.

The Revision Commission is guided in its activities by the laws of the Russian Federation, the Company's Charter, this Regulation, and other internal documents of the Company that are approved by the Company's General Meeting of Shareholders.

### MEMBERS OF THE REVISION COMMISSION

Name	Position held as of December 31, 2018
Gennady Bukayev	PJSC Rosneft Oil Company, Vice President and Head of the Internal Audit Service, Chairman of the Revision Commission
Tatyana Fisenko	Ministry of Energy of the Russian Federation, Director of the Budget Planning and Accounting Department
Svetlana Kovaleva	PJSC Federal Grid Company of the Unified Energy System, Internal Audit Director and Head of the Internal Audit Department
Igor Feoktistov	PJSC Federal Grid Company of the Unified Energy System, Internal Control Director
Tatyana Zaltsman	PJSC Inter RAO UES, Head of the Economic Planning Department

## Results of activities

The Revision Commission of PJSC Inter RAO is a permanently elected body that monitors the Company's financial and economic activities in accordance with the Charter and the Regulation on the Revision Commission. The members of the Revision Commission are elected annually at the Annual General Meeting of Shareholders for a term that runs until the next Annual General Meeting of Shareholders.

In 2018, the Audit Commission conducted an audit of PJSC Inter RAO for 2017. Based on this audit, an audit report and an opinion were submitted to shareholders as part of materials for the Annual General Meeting of Shareholders. In addition, two meetings were held in 2018 at which the following was determined: the program and timeframe of the audit of the financial and economic activities of PJSC Inter RAO for 2018; deadlines for submitting materials for verification as well as organizational issues concerning the commission's activities.

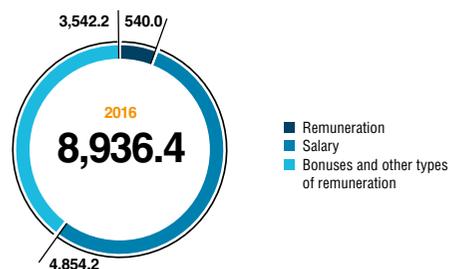
## Mechanisms to improve work

At present, the procedure used to form the Revision Commission is consistent with best practices in this field, is transparent, and is under the control of shareholders. Members of the Revision Commission are elected through direct voting at the Annual General Meetings of Shareholders taking into account the qualifications, work experience, and other data presented in the applications of candidates. Considering that the heads of the internal audit services of leading industry companies and heads of financial and economic departments of PJSC Inter RAO are invited to work on the Revision Commission of PJSC Inter RAO, there are no plans to create additional mechanisms to improve the work of the Revision Commission.

## Remuneration for members of the Revision Commission

### REMUNERATION PAID TO MEMBERS OF THE REVISION COMMISSION FOR 2018

RUB thousand



## Settling conflicts of interest

The Company devotes special attention to preventing potential or actual conflicts of interest among individuals who are members of management and control bodies as well as the Company's employees with the interests of the Inter RAO Group.

In accordance with Article 82 of the Federal Law "On Joint Stock Companies," members of the Board of Directors and the Management Board regularly notify the Company about any signs of possible interest in transactions concluded by the Company. The Company communicates this information to the Board of Directors and the Revision Commission and it is taken into account when planning transactions.

According to clause 6 of Article 85 of the Federal Law "On Joint-Stock Companies," the Company's shares that belong to members of the Board of Directors and the Management Board are not involved in voting when electing members of the Company's Revision Commission.

The Board of Directors has approved the Regulation on the Procedure for Employees to Notify the Employer of a Conflict of Interest or the Possibility of Such a Conflict, which establishes:<sup>1</sup>

- the procedure whereby an employee notifies the employer (PJSC Inter RAO) about being contacted by any individuals for the purpose of being persuaded to commit corruption offenses or about a conflict of interest/the possibility of a conflict of interests and measures to prevent or resolve the conflict of interest that the employee and the employer must take
- the procedure whereby the Board of Directors accepts and considers notifications from the Chairman of the Management Board about any persons who have contacted him for the purpose of being persuaded to commit corruption offenses or about the occurrence of a conflict of interest or the possibility of its occurrence
- the procedure whereby the Chairman of the Board considers notifications about a member of the Management Board, head of directly subordinate structural units, or the chief accountant being contacted by any persons for the purpose of being persuaded to commit corruption offenses or about the occurrence of a conflict of interest or the possibility of its occurrence

The Code of Corporate Ethics of PJSC Inter RAO establishes the main duties of persons who are members of the Company's management bodies to prevent conflicts of interest:

- members of the Management Board must obtain prior written consent from the Chairman of the Management Board to conclude a transaction with the Company's securities prior to any transaction involving the Company's securities. The Chairman of the Management Board and members of the Company's Board of Directors must obtain prior written consent from the Chairman of the Board of Directors. The Chairman of the Board of Directors must obtain prior written consent from the Chairman of the Company's Management Board
- if circumstances occur whereby these persons may be recognized as interested in the Company concluding transactions, they are required to inform the Company about this in the manner prescribed by the legislation of the Russian Federation and the Company's internal documents<sup>2</sup>
- these individuals must refrain from having employment or civil law relations with a competitor, participating in a competing organization in order to prevent financial or other connections or dependencies that could potentially give rise to a conflict of interest, or receiving gifts, services, or other benefits of both a financial and non-financial nature, not have contact with persons or organizations who have business relations with the Company or seek to have such relations, and ensure the repayment to the Company of bonus payments that are wrongly received, among other obligations

<sup>1</sup> Minutes No. 167 dated May 4, 2016 (with amendments dated December 20, 2018 (Minutes No. 236 dated December 24, 2018)).

<sup>2</sup> The form for providing notification about signs of a company's possible interest in a transaction is described in the Regulation on the PJSC Inter RAO Board of Directors.